

# Lump Sum Stipend and Opportunity to Purchase Home Program

A Program for Eligible Corridor Occupants



September 2010

Recently, an agreement was reached to settle all legal and legislative matters related to the 238 Corridor properties. This brochure provides you with a general overview of the program that was created under the Settlement Agreement, as a result of your participation in community meetings and the goodwill of all parties. The City of Hayward ("City") will be implementing the program that was created to assist eligible Corridor tenants with certain housing and moving costs.

The City has hired Associated Right of Way Services, Inc. ("AR/WS") to help you understand the assistance that is available to you. AR/WS staff will serve as your Program Advisors for the first phase of this Program. They will be working closely with you to describe the program and help you understand which type of assistance might work best for you. The City has hired a Program Administrator to oversee this Program.

If you would like additional information, please speak with your Program Advisor at 1-800-558-5151, or the City's Program Administrator at (510) 583-4258. A copy of the Settlement Agreement is available at <http://www.hayward-ca.gov/238> for your review.

## **The Lump Sum Stipend "LSS"**

The Lump Sum Stipend ("LSS") is a payment that can be made directly to your household or it can be used to participate in the Opportunity to Purchase Home Program ("OPHP"). The Lump Sum Stipend is available to all Caltrans tenants who have lived in the 238 Corridor as a tenant in good standing on December 29, 2009. The payment is based upon several factors including your household size, household income, and the total room count of the home you are renting.

If you would like to receive a Lump Sum Stipend, you will need to meet with your Program Advisor and provide some household information. You will need to gather documentation of all household income. This includes income for all persons 18 years of age or older. You will need:

- Copies of all 2009 Federal Income Tax Returns filed by your household.
- Documentation of all Public Assistance

You will also need to provide sufficient documentation to demonstrate the length of time each occupant has lived in the home. Documentation may include multiple sources that show date and address such as

- Government Driver's License or Identification Cards
- Government correspondence
- Utility bills or other correspondence
- School registration

After you have collected the necessary documentation, please call your Program Advisor at 1-800-558-5151 and schedule an appointment to meet in your home. Your Program Advisor will describe the Lump Sum Stipend in greater detail and will collect the income and identification documentation that you have prepared. Your Program Advisor may request additional information from you so that your eligibility can be determined.

It is very important that you provide the requested information when you meet with your Program Advisor. Without sufficient information the City cannot determine your Lump Sum Stipend. Therefore, any payment due to you or any opportunity to purchase a home will be delayed.

## How Can I Use the Lump Sum Stipend?

You may choose to receive a one-time payment of your Lump Sum Stipend. If you choose this option it does not automatically mean you must move from your home. You will be required to sign an Acknowledgement and Receipt form before you receive the payment so that you understand that the payment represents total compensation to you.

Alternatively, if you are eligible, you can choose to participate in the Opportunity to Purchase Home Program (“OPHP”). If you choose to participate in the OPHP, your Lump Sum Stipend will be deposited into an interest-bearing escrow account with the City, and will be used to help you purchase a home. More information on the OPHP follows.

### **The Opportunity to Purchase Home Program “OPHP”**

The Opportunity to Purchase Home Program (“OPHP”) can provide you with assistance to purchase your home or another home that is eligible under the OPHP. This brochure will provide you with a general summary of the OPHP. It is important that you work closely with your Program Advisor to understand exactly how the OPHP can provide you with assistance to purchase a home.

There are several benefits to participating in the OPHP. Firstly, it may be easier for you to obtain down-payment assistance under the program, if you qualify for financing. Secondly, you may have an opportunity to purchase the home you are living in or another home that is eligible under the program. Your Program Advisor will provide you with more information about which homes are eligible to purchase under the program.

## Who Can Receive Assistance Under the OPHP?

In general, if you meet the following criteria, you may be eligible for assistance under the OPHP:

- ✓ You are a Caltrans tenant who rents a single family home and has lived continuously in the 238 Corridor as a legal tenant on December 29, 2007.
- ✓ You are recognized by Caltrans as a legal tenant in good standing.

Please meet with your Program Advisor so that you will know if you are eligible to participate in the OPHP.

## Can I Purchase My Current Home?

There is a list of single family homes within the Corridor that are available for sale. Your Program Advisor can tell you if your home is on that list. If your home is eligible for the program and you would like to purchase your home, you will need to complete a “Request for Home Purchase” form and submit it to your Program Advisor.

The City will have the property appraised and the appraisal will be submitted to Caltrans for approval. The City will provide you with a letter that presents the approved appraised value of the home. Also, if the home has not been inspected within the past year, the City will have an inspection performed, and will provide you with a copy of the inspection report. If you are still interested in purchasing the home, you will need to enter into a purchase contract and attempt to secure a loan. When all conditions of the purchase contract have been met, the City will deposit your Lump Sum Stipend into escrow and you will need to secure a loan. You will need to complete the purchase of the home by June 30, 2012.

## Can I Purchase a Different Home?

You may be interested in purchasing another home that is available for sale within the Corridor or another home in the greater community that is eligible for purchase under the OPHP. Your Program Advisor will assist you in identifying a home eligible for purchase under the program. You will need to submit a "Request for Home Purchase" for the home you are interested in purchasing.

The current resident of the home will have the first right of refusal to purchase the home. If the current resident does not wish to purchase the home, and there are multiple people interested in purchasing the home, then the City will assign priority according to the terms outlined in the Settlement Agreement and make all parties aware of the priority list with respect to the house in question. The City will have the property appraised and the appraisal will be submitted to Caltrans for approval. The City will provide you with a letter that presents the approved appraised value of the home.

If the home is available for you to purchase and you are still interested, you will need to enter into a purchase contract and attempt to secure a loan. When all conditions of the purchase contract have been met, the City will deposit your Lump Sum Stipend into escrow. You will need to complete the purchase of the home by June 30, 2012.

## What Do I Need to Know to Purchase a Home?

Purchasing a home is a financial commitment and long-term responsibility. The City has created a First Time Homebuyers Seminar that will help you to understand how to apply for a loan and purchase a home. The seminars will be free and will be offered several times in late 2010 and in 2011. Anyone purchasing a home under the OPHP is required to attend a seminar. Your Program Advisor will provide you with information on seminar locations and schedule.

### General Information You Need to Know

## Do I Need to Move From My Home?

It is possible that if you do not purchase your home, it might be sold to someone else. You will be allowed to continue to rent your home from Caltrans until it is sold. Of course, you will continue to be subject to the terms of your existing rental agreement.

If your home is sold, Caltrans will provide you with 60 days written notice prior to the date you must vacate the home.

## What is the Anticipated Project Schedule?

Program Advisors are available to work with you immediately. You will need to provide them with income and household documentation so that they can provide you with information about how the Lump Sum Stipend and the OPHP apply specifically to your household. No assistance can be provided under the Program without sufficient documentation of household occupants and income.

Funds Available for Stipend Payments and Home Purchase:	June 22, 2010
Second Community Meeting:	July 28, 2010
Individual Occupant Meetings:	July – December 2010
First Time Homebuyer Seminars:	November 2010 – April 2011
Program Assistance Letters:	Beginning September 2010

## What if I don't agree with the information that is provided to me?

If you don't agree with a determination made by your Program Advisor or the City, you may appeal that determination within 30 days of receiving the determination. The City will appoint a Hearing Officer for this purpose. There is a detailed Dispute Resolution Process outlined in the Settlement Agreement. Your Program Advisor or the City's Program Administrator can provide you with additional information on the process if you have any questions.

## Who Do I Contact for More Information?

Please contact your Program Advisors at AR/WS, who will help you understand how the Lump Sum Stipend and the OPHP apply to you. Your Program Advisor is your primary contact for this phase of the Program. Please direct your calls to Ms. Roxanne Sanchez at AR/WS. She can help you schedule an appointment with your Program Advisor.



You may also contact Steve Ronfeldt, Esq. at The Public Interest Law Project at (510) 891-9794, extension 127.

*This brochure is provided to you as a courtesy of the City of Hayward. The brochure generally summarizes the Settlement Agreement dated April 22, 2010. If discrepancies exist between this brochure and the Settlement Agreement, the terms of the Settlement Agreement shall prevail.*